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November 19, 1998

Ms. Wendy L. Carney, Chief
Remedial Response Branch #1
U.S. Environmental Protection Agency
77 West Jackson Boulevard
Chicago, Illinois 60604

Re: Response to U.S. EPA Special Notice of Liability
Sauget Area 1 Site
Sauget/Cahokia, Illinois

Dear Ms. Carney:

Please consider this "good faith" response as being submitted on behalf of Monsanto Company by representatives of Solutia Inc. ("Solutia"). As you may know, Monsanto Company divided into two separate publicly held companies on September 1, 1997. As a result of this separation, Solutia owns and operates a number of chemical-based businesses and their associated manufacturing plants, which previously belonged to Monsanto Company.

Solutia has agreed that it will indemnify Monsanto for certain liabilities and, at the same time, Monsanto has authorized Solutia to act as Monsanto's agent. Both Monsanto and Solutia received the Special Notice Letter for Area 1, dated September 9, 1998. Solutia will be representing the interests of both Solutia and Monsanto.

As you know, representatives of Solutia have been meeting with U.S. EPA and IEPA technical personnel regarding the details of the proposed scope of work ("SOW") for the EE/CA and the RI/FS. With this letter, Solutia does hereby submit both a SOW and Support Sampling Plan (Attachments A & B) for the Area 1 EE/CA and RI/FS. These attachments are consistent with U.S. EPA's proposed SOW and the subsequent discussions among the various technical representatives, including U.S. EPA and IEPA. They are being submitted on behalf of Monsanto Company by Solutia, regrettably without participation by any of the other twenty-four Potentially Responsible Parties ("PRPs") identified in the Special Notice Letter. Steps were taken by Solutia to secure the cooperation of the other parties.

Following the meeting with U.S. EPA, involving representatives of ten of the PRPs, Solutia suggested a meeting of all of the parties to discuss a group response. On October 27, 1998, a meeting occurred at the Sauget Village Hall, during which Solutia presented an outline of the SOW to the other PRPs. All of the parties were invited to participate in the subsequent meetings with U.S. EPA technical staff. None of the parties elected to participate in those meetings or in this submission. Subject to a final agreement with U.S.

EPA, including agreement on the structuring of any settlement, Solutia is willing to proceed unilaterally with the work outlined in the attachments. We understand that this proposal should trigger an additional thirty day period to finalize the attachments and the structure of the settlement.

We believe that Solutia has previously demonstrated its technical and financial capability to the satisfaction of U.S. EPA Region V. Attached is additional financial information for your reference. (Attachment C.) In regards to the Area 1 past costs, as well as future oversight costs, Solutia is prepared to discuss these as part of the ongoing negotiations. However, with the exception of Site G, we have received no past costs information to date.

Consistent with U.S. EPA guidance, comments to U.S. EPA's proposed AOC are enclosed in Attachment D.

Finally, the parties who will represent Solutia in the future are:

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We propose a meeting for the first full week of December to finalize the SOW and work on the settlement structure. We are available to meet with both technical and legal staff on either the 7th or 8th of December. This should give you sufficient time to review the attachments. Please direct any questions you have to me.

Sincerely,



D. Michael Light
Manager, Remedial Projects
Solutia Inc.

Enclosures

cc: Mr. Thomas J. Martin
(w/attachments)
Mr. Michael McAteer
(w/attachments)
Mr. Joseph G. Nassif